

Overview of Efficiency Review Team's Visits to Small- and Medium-Sized State Agencies

January - April 2004

During the first quarter of 2004, Governor Napolitano's Efficiency Review (ER) Team visited 18 small- and medium-sized state agencies and offices to learn about the latest initiatives being undertaken. The ER Team presented an overview of its findings (see below) at the May 25, 2004, ER Steering Committee meeting.

In many cases, efficiency solutions realized by one agency can be adapted at other agencies, as well. These "best practices" are shared among agencies at quarterly meetings and in the future will also be available on the ER Internet site.

Department of Agriculture

- Limit out-of-state travel to industry/federally paid travel saving \$12,000 in FY04
- Returned 37 fleet vehicles to state motor pool saving almost \$200,000 in FY04
- Discontinued computer training contract; negotiated free training room rentals and free training materials from federal government saving \$6,200 in FY04
- Instituted central inventory control and purchasing to reduce duplication
- Outsourced major printing tasks
- Eliminated unnecessary cell phones; reduced internal telephone lines saving \$18,500 in FY04
- New grant for \$14,000; Other grant money forgone (2 grants) due to staff shortage and lack of state match funds
- Field inspectors receive most feed, fertilizer, pest and seed samples donated saving \$1,000 in FY04
- Industry fees expected to be unusually low in comparison with other states

Department of Banking

- Monitoring statewide ER issues

Department of Commerce

- Instituted "TravelNet" searchable database to coordinate staff travel
- Returned 8 of 9 vehicles to motor pool saving \$38,000
- Co-created interagency "State Energy Conservation Group" with ADOA
- Reduced lighting in storage, corridors, cabinet areas, and copy rooms saving \$600/yr.
- "Last one out" policy ensures lights and equipment are turned off
- Set "sleep" feature on all computer monitors
- Built competent IT staff to avoid contracting out computer training
- Implemented voice-over IP, immediately improved productivity
- Posted small business information on website for 24/7 public access
- Converted to "shared minutes" cellular telephone plan saving \$20k
- Created library to share subscriptions saving \$850/yr.
- Explore flat fee membership options with associations
- No longer offers snack or lunch service during office meetings

Department of Environmental Quality

- New "green" building saves sq. ft. energy costs, improved insulation, solar collectors, energy star computers, automatic lights, zoned heating and cooling, recycled carpets and building materials, architecture
- Extensive work with agencies and universities to maximize energy cost savings
- Redesigned website to increase interactivity and convenience for contractors and public; reducing printing and mail costs and saving staff time

Department of Gaming

- Monitoring statewide ER issues
- Participate in ER Interagency workgroup

Department of Housing

- Maintains an on-line travel calendar to facilitate interoffice coordination
- Limited staff travel including 20% reduction in out-of-state travel saves approx. \$8,500
- Instituted travel policy to use agency vehicles; state motor pool and personal vehicles only as a last resort.
- Use of personal vehicle for business requires supervisory approval; Policy to not pay personal mileage while agency vehicles would sit idle
- Director pre-approves anticipated travel and training needs for entire year
- Takes advantage of free HUD local or satellite training when possible
- Reviewing new paperless loan processes at East Coast Banks
- Utilize Internet to upload handbooks, reports and applications saves thousands in printing and postage costs
- Quarterly electronic newsletter positive reception from public and nonprofit community
- Integrated federal HUD database eliminates double data entry; improve efficiency and accuracy
- Purchases “Energy Star” computer monitors and copiers
- Printers have “power down” savings device

Department of Insurance

- Monitoring statewide ER issues

Department of Juvenile Corrections

- Approved legislation allows ADJC to purchase health care at prices negotiated by AHCCCS resulting in 55% or \$750,000 savings and a cost avoidance of \$425,000 in psychological commitment costs
- Focusing efforts on 11 ER areas:
 - Eliminate contract parole officers
 - Expand use of electronic documents
 - Reduce equipment maintenance
 - Consolidate maintenance
 - Adopt the STARS database
 - Consolidate parole offices
 - Reduce barber services
 - Review cell phone usage
 - Reduce out-of-state travel
 - Reduce in-state travel
 - Streamline purchasing

State Land Department

- Installed motion activated lights and temperature regulation controls
- Added sun shading to windows to reducing energy use
- Limit frequency of “all employee” meetings saving staff time and travel
- Eliminated use of contractors for computer services saving \$10k
- Re-examined calling plans and limited cell phone use saving \$9k
- Shifted cost to federal funds saving \$28k on two fire slip pumps
- Found federal grant money to fund computer equipment and mapping software
- Discontinued purchasing hard copy calendars, trained staff to use GroupWise calendar
- Collaborating with GITA/IBM for cost effective way to provide Recreational Permits online to save \$7,000
- Limited subscriptions and routes newspapers and journals

Department of Liquor Licenses and Control

- ER savings over \$28,250
- Returned 2/20 vehicles assigned; assigned 2 investigators per vehicle
- Reduced number of business cards printed saving \$200 in FY04
- Cancelled copy machine maintenance agreement saving \$960 in FY04
- Disconnected unused phone lines, disconnected #800 number and returned 2 cell phones saving \$7,700 in FY04
- Tucson office negotiating smaller office spaces to save \$4,600 in FY04.

- Successfully identified new federal grants, NCIC system 90% federal grant, anticipating \$500k in 2004 to fund portable breath test machines, undercover lights for state cars
- Forms now online though limited in function, unable to accept credit cards, fingerprints
- Used to mail 10,000 renewal forms, new procedures require licensees to automatically renew

Department of Lottery

- Reviewing procurement and accounting procedures
- Returned cars to state motor pool, retaining only those necessary for inspectors, deliveries, instate travel, vendor agreements

Department of Racing

- Oversees dog racing (Phoenix, Apache Junction, Tucson); horse racing (Phoenix, Tucson, Prescott) and 10 'County Fair' racing, also boxing
- Staff located at race tracks statewide, large part-time and seasonal staff, small central office staff (10) in Phoenix
- Reduced employee allowable per diem food charges w/o receipt
- Returned 2 of 10 fleet cars in 2003 saving 20% or \$500/mo.
- Purchased new computerized postage meter machine for \$500/yr. to replace inaccurate and outdated meter that cost \$1,200/yr. "Old does not equal cheap."
- Created electronic distribution lists to save on postage, improve customer service and access to commission packets, agendas and minutes

Department of Real Estate

- Posts "Agency News" on website and blast e-mail bulletins to 15k member list; print and mail to subscribers only savings \$90,000/yr.
- 1st state agency to offer professional license renewals online planned Fall 2004
- Accounting takes advantage of early payment discounts saving \$1,000/yr.
- Limited out of state travel to Director and top staff as needed saving \$10,000/yr.
- Utilize AZGU rather than training consultants saving \$2,000/yr.
- Plan to discontinue pro-rating fees and move to "Flat fees" like Game and Fish
- Exploring other fee options i.e. temporary permits

Registrar of Contractors

- Total ER Savings as of 3/04: \$69,500
- Increase availability of mediations, contractor and public response is positive and saves compared to litigation
- Utilize conference calls to save time and transportation costs for statewide staff
- Reviewed use of 55 vehicles for 51 inspectors and investigators; returned 3 vehicles saving \$18,000/yr.
- Follow ADOA fleet guideline of 1,000 miles per month.
- Appointing vehicle coordinator to review mileage statistics and manage the exchange vehicles saving \$3,000
- Provide training on-location in regional and field offices to minimize travel expenses
- Accounting "watch dogs" are sensitive to pricing issues
- Agency newsletters are on ROC website saving \$19,500 FY04 and \$27,000 FY05
- Eliminated return receipts with certified mail, which cost \$1.75 per item. Use on-line tracking instead saving \$5,000 FY04 and \$15,000 FY05
- Print all publications and forms in-house saving \$13,000 annually
- Employees maximize use of ROCNet Intranet to minimize printing and copying
- Minimize use of temporary employees; coordinate offices to cross-train as needed. Est. annual savings \$8,000
- Cancelled fax maintenance agreements since rarely require repairs or maintenance outside their warranty period, and avg. repair cost is \$80 - saving \$3,000
- Reviewed cell phone assignments and monitor minutes usage and review alternate plans
- Online newsletter has articles; forms; scam notices; Ambassador program
- Working with OAH to image documents and use electronic case files
- Complaint form and license applications now collect e-mail addresses and system program will store and use
- Examining use of compressed workweeks, flex schedules and telecommuting

Residential Utility Consumer Office (RUCO)

- Ongoing review of consulting costs and computer systems
- Very limited travel
- Agencies often pay more for general office items than necessary i.e. shredder purchased for \$50 more than necessary. Proposed centralized, online procurement website where vendors could offer discount office items
- RUCO turned in their vehicle to state motor pool
- Office in the energy efficient ADEQ building
- Converted voluminous legal (paper) filings and other documents to an electronic format

Department of Tourism

- Estimated million dollar ER savings to date
- Employees use both Internet and state travel agency for least expensive travel alternative
- Bi-weekly travel authorization summary provides management review
- Weekly "Invoice Aging Report" ensures timely vendor payments and takes advantage of early payment discounts
- Office supply requisition is processed once per month saves \$3,250/yr.
- Private advertisements offset cost of magazine
- Limit mail order fulfillment of requests for the Official State Visitors Guide (OSVG).
- "Web fulfillment" of consumer information packets saves \$250,000/yr.
- Responds to 30,000+ school children requests with a postcard with stickers and directs children to website "KIDS ZONE" saving \$120,000/yr. in printing and postage.
- "International response letter" directs international consumers to website saves \$29,250/yr.

Department of Weights and Measures

- Inspectors improved scheduling process and are now based out of residences
- Metro Phoenix inspectors were cross-trained in Vapor Recovery to provide additional inspection days per year, minimize scheduling delays and benefit retailers by conducting re-inspections quicker
- Initiated on-line scheduling of Vapor Recovery (VR) inspections by industry, reducing employee data entry time
- Cross-trained staff to handle licensing processes
- Purchased jib crane for testing 50lb. weights to accelerate certification process and improve safety for staff
- Vendor payment discount programs average turnaround of 1.6 days
- Added PowerPoint presentations and consumer friendly interactive forms to website

Arizona Medical Board

- "Paperless" meetings – IT designed process improvements to scan complaint files and disciplinary documents instead of copying and mailing bulk files
- E-mail, burns files to CD-Rom and expand use of Intranet to share confidential files
- Saves staff time and printing, postage, storage requirements
- Electronic method ensures board members receive all required documents
- Board IT staff working with GITA for approvals